Honolulu, Hawaii

Rebruary 28

, 2014

RE: H.B. No. 2507 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2507 entitled:

"A BILL FOR AN ACT RELATING TO MARKETPLACE FAIRNESS,"

begs leave to report as follows:

The purpose of this measure is to authorize the Department of Taxation to establish administrative rules, as an alternative to the Streamlined Sales and Use Tax Agreement, for the development and simplification of procedures necessary to collect and remit sales and use taxes derived from remote sales with outside businesses having no nexus with the State.

The Chamber of Commerce Hawaii testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Walgreen Co. provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2507, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2507, H.D. 1, and be placed on the calendar for Third Reading.

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Respectfully submitted on behalf of the members of the Committee on Finance,

SYLVIA LUKE, Chair

## State of Hawaii House of Representatives The Twenty-seventh Legislature



## **Record of Votes of the Committee on Finance**

Bill/Resolution No.: Committee Referral:			Date: 2/19/2014	
HB 2507 FIN		2/19/2014		
θ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: θ Pass, unamended (as is) Pass, with amendments (HD) θ Hold θ Pass short form bill with HD to recommit for future public hearing (recommit)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)				
2. NISHIMOTO, Scott Y. (VC)				
3. JOHANSON, Aaron Ling (VC)				
4. CULLEN, Ty J.K.				
5. HASHEM, Mark J.				
6. ING, Kaniela				
7. JORDAN, Jo				
8. KOBAYASHI, Bertrand				
9. LOWEN, Nicole E.				
10. MORIKAWA, Dee				
11. ONISHI, Richard H.K.				
12. TAKAYAMA, Gregg				
13. TOKIOKA, James Kunane				
14. WOODSON, Justin H.		A TOTAL SALES AND		
15. YAMASHITA, Kyle T.				
16. FUKUMOTO, Beth				
17. WARD, Gene				
TOTAL (17)	13		2	2
The recommendation is:  Adopted  B Not Adopted  did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				